



Treasury Financial Manual

A-2000-02

June 2000

ANNOUNCEMENT

Subject: Adjustments to Fiscal 1999 FACTS I Data

The Financial Management Service (FMS) is working with all agencies required to perform the Federal Agencies Centralized Trial Balance System (FACTS I) data verification to reconcile net position.¹ To properly account for changes in net position in the Financial Report of the United States Government, Fiscal 2000, it is essential that the ending net position for each agency included in the fiscal 1999 financial report is reconciled to fiscal 1999 agency financial statements. Such reconciling items generally result from:

- Adjustments to agency financial statements made after the final FACTS I data was submitted but before audited agency statements were issued.

OR

- Unreconciled differences reported in FACTS I verifications for audits that were completed on time.

This reconciliation is part of our ongoing effort to work together to make incremental progress toward an unqualified audit opinion for the Financial Report of the United States Government.

Please be aware that since these adjustments are being identified after publication of the fiscal 1999 consolidated Financial Report of the United States Government, FMS will analyze the adjustments and determine how they will be reported in the fiscal 2000 report. To facilitate this process, agencies should submit all adjustments by July 14, 2000, to FMS for processing.

FMS currently is reviewing the Account Groupings Worksheet (AGW) that reflects differences between the 1999 FACTS I data and the agencies' audited financial statements. FMS will contact all agencies required to submit an AGW to finalize the 1999 AGW and confirm any necessary adjustments to the FACTS I data. Agencies immediately should finalize the 1999 AGW by confirming the financial statement and FACTS I columns and identifying variances in anticipation of a call from FMS before the July 14 deadline.

When the agencies and FMS complete the adjustments necessary to update or correct the 1999 FACTS I data, each agency's Chief Financial Officer (CFO) will receive a package from FMS with supporting documentation for all adjusting entries. After review and concurrence, the CFO must sign an acknowledgement indicating agreement for FMS to input these journal entries.

¹ Agencies not required to prepare an AGW for FMS should contact their FMS representative on 202-874-9910 for any adjustments. These adjustments are necessary if the agency financial statement net position did not agree with the FACTS I transmission.

Subsequently, these entries will adjust the 1999 FACTS I submission at the lowest reporting level possible. After FMS makes the adjustments, it will send a final department level Adjusted Trial Balance and a Fiscal 1999 Ending Net Position Balance for verification to the agency CFO. FMS will generate all reports for verification at the department level. The CFO must verify all reports within 1 week of receipt and must sign a verification sheet. The verification sheet confirms the amounts in these final reports are reconciled to the amounts in the agency's audited financial statements.

Since this is a critical process, all agencies and departments must:

- Carefully review and understand these final adjustments made for 1999.
- Ensure these adjustments are complete before submitting the 2000 FACTS I trial balances to FMS.

For agencies whose audits are still ongoing, the final AGW process will start as soon as audits are complete.

Direct questions or comments concerning this announcement to:

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